

REMARKS

Claims 1-25 are pending in the application and are subject to a restriction requirement. The claims have been restricted into the following groups:

Group I – Claims 1-11, directed to a method for culturing non-pancreatic stem cells to the pancreatic differentiation pathway;

Group II – Claims 12-21, directed to a method of treating a mammal with a pancreatic disorder using the transdifferentiation product of claim 1;

Group III – Claim 22, directed to the transdifferentiated mesenchymal stem cell produced by the method of claim 8;

Group IV – Claim 23, directed to a transdifferentiated mesenchymal stem cell that expresses mRNA for *Isl-1*, *Pax-6*, *PP*, *insulin*, *glucagon* and *somatostatin*;

Group V – Claim 24, directed to the transdifferentiated cell produced by the method of claim 1; and

Group VI – Claim 25, directed to a transdifferentiated mesenchymal stem cell encapsulated in an endocrine hormone permeable capsule.

Applicants hereby elect, without traverse, Group I, which encompasses claims 1-11.

Submitted herewith is a Petition for Extension of Time for three months. It is believed that no other fees are due with this submission. If this is in error, please charge any necessary fees to Deposit Account No. 19-5117.

Respectfully submitted,

December 1, 2008
Date

/Margaret M. Wall/
Margaret M. Wall, #33,462
Swanson & Bratschun, LLC
8210 Southpark Terrace
Littleton, CO
303-268-0066